SENATE BILL 3251

By Tate

AN ACT to amend Tennessee Code Annotated, Title 3, Chapter 6, relative to lobbying.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 3-6-305, is amended by deleting the section in its entirety and by substituting instead the following:

§ 3-6-305.

- (a) (1) An employer of a lobbyist or lobbyist may provide a gift, directly or indirectly, to a candidate for public office, official in the legislative branch, official in the executive branch, or immediate family of such candidate or official, only if the employer of a lobbyist or lobbyist electronically reports the gift to the ethics commission within forty-eight (48) hours. All such information delivered or reported to the commission shall be promptly posted on the commission's Internet site. The filing of a consolidated report may be authorized by rule, promulgated pursuant to § 4-55-103(1), if the costs of the event are shared by two (2) or more employers or lobbyists; however, any such report shall specify the allocation of the costs among the employers or lobbyists; provided further, however, that the employers or lobbyists shall remain individually accountable for the timeliness and accuracy of the consolidated filing. The lobbyist shall keep receipts and other relevant documentation of the gift as determined by the commission by rule for a period of at least three (3) years.
- (2) A candidate for public office, an official in the legislative branch, or an official in the executive branch, or the immediate family of such candidate or official, is not required to report or disclose a gift made under subdivision (a)(1) unless the candidate

or official has actual knowledge that the gift has not been reported as required by subdivision (a)(1).

- (b) For the purposes of this section, a gift is subject to reporting under subsection (a) only if its value exceeds ten dollars (\$10.00) or such similar higher value as maybe set by the commission by rule as a minimum threshold that is not likely to provide an appearance of impropriety and is not subject to reporting. The ethics commission shall publish the increased amount on its web site.
 - (c) The following are not subject to the requirements of subsections (a) and (b):
 - (1) Benefits resulting from business, employment, or other outside activities of a candidate or official or the immediate family of a candidate or official, if such benefits are customarily provided to others in similar circumstances and are not enhanced due to the status of the candidate or official;
 - (2) Informational materials in the form of books, articles, periodicals, other written materials, audiotapes, videotapes, or other forms of communication;
 - (3) Gifts that are given for a nonbusiness purpose and motivated by close personal friendship, but only to the extent such gifts are specifically defined and authorized by the rules of the ethics commission;
 - (4) Sample merchandise, promotional items, and appreciation tokens, if such merchandise, items and tokens are routinely given to customers, suppliers or potential customers or suppliers in the ordinary course of business;
 - (5) Unsolicited tokens or awards of appreciation, honorary degrees, or bona fide awards in recognition of public service in the form of a plaque, trophy, desk item, wall memento and similar items; provided, that any such item shall not be in a form that can be readily converted to cash;

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- (6) Opportunities and benefits made available to all members of an appropriate class of the general public, including, but not limited to:
 - (A) Discounts afforded to the general public or specified groups or occupations under normal business conditions, except that such discounts may not be based on the status of the candidate or official;
 - (B) Prizes and awards given in public contests; and
 - (C) Benefits of participation in events held within the state and sponsored by, or for the benefit of, charitable organizations as defined in § 48-101-501(1), if provided by an employer of a lobbyist to an official in the executive branch or to an official in the legislative branch; provided, that such events are open to participation by persons other than officials in the executive branch or officials in the legislative branch or the official's immediate family and any benefits received are not enhanced due to the status of the official in the executive or legislative branch; or provided, that invitations are extended to the entire membership of the general assembly;

(7)

- (A) Expenses for out-of-state travel, if such expenses are paid for or reimbursed by a governmental entity or an established and recognized organization of elected or appointed state government officials, staff of state government officials or both officials and staff, or any other established and recognized organization that is an umbrella organization for such officials, staff, or both officials and staff;
- (B) Entertainment, food, refreshments, meals, beverages, amenities, goody bags, exhibitor promotional items given in the exhibit

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hall to conference attendees, health screenings, lodging, or admission tickets that are provided in connection with, and are arranged or coordinated through the employees or designated agents of, a conference, if the conference is sponsored by an established and recognized organization of elected or appointed state government officials, staff of state government officials or both officials and staff, or any other established and recognized organization that is an umbrella organization for such officials, staff, or both officials and staff. For purposes of this subdivision (c)(7)(B), any entertainment, food, refreshments, meals, beverages, amenities, goody bags, or admission tickets provided at events designated as a state night or other events for attendees of the conference shall be deemed to be provided in connection with, and arranged or coordinated through the employees or designated agents of the conference;

- (8) Occasional or incidental local travel for which no fare is ordinarily charged; or
- (9) Contributions to a fund established and controlled by a 501(c)(3) corporation for the benefit of an extremely ill immediate family member of an employee who is included within the definition of an official in the executive branch; provided, that this subdivision (c)(12) shall expire when the ethics commission promulgates rules pursuant to subdivision (c)(3) concerning gifts for nonbusiness purposes and motivated by close personal friendships.

SECTION 2. This act shall take effect July 1, 2010, the public welfare requiring it.

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